

Press Release

Childcare and Returning to Work

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As states are reopening their economies and individuals are returning to work, many parents are facing a challenge with childcare. There was already a childcare shortage before the pandemic, but now many childcare centers are closed or greatly limited in their capacity, many camps are closed for the summer, and schools could be closed in the fall — all of which means parents could struggle to return to work, constraining the economy's recovery. In order to address this mismatch between supply and demand, policymakers should ensure that parents and businesses have significant flexibility, contends AAF's Labor Market Policy Data Analyst Isabel Soto.

An excerpt:

Simply funding existing centers will not solve the underlying supply problem, and the federal government is not likely to create more childcare, no matter how much money it spends. While direct policy levers cannot fix this threat to the labor force, policymakers should not underestimate the capacity of civil society and the market. The challenge for policymakers will be to ensure that individuals and businesses have the flexibility they need to meet this challenge.

Read the analysis.